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ABSTRACT

This three-part curriculum for entrepreneurship education is primarily for postsecondary level, including four-year colleges and adult education, but it can be adapted for special groups or vocational teacher education. The emphasis of the eight instructional units in Part III is operating a business. Unit E focuses on personal (face-to-face) selling. It describes how to find, understand, and work with customers for one's product or service. The characteristics of good salespeople and the steps of the sales process are also discussed. The self-tests and activities are intended to help improve one's personal selling technique and the effectiveness of salespeople for the business. Material is organized into three levels of learning which progress from simple to complex concepts: Exposure, Exploration, and Preparation/Adaptation. Each level contains preassessment; teaching/learning objectives; substantive information (questions in margins guide the students' reading); activities, including a postassessment; and a self-evaluation. Definitions of important terms are found at the beginning of the unit; a bibliography and listing of sources for further information are appended. The four-page instructor's guide contains the teaching/learning objectives, teaching/learning delivery suggestions, and pre/postassessment suggested responses. (YLB)

ED199423

Research and Development Series No. 194 C-5

PACE

A PROGRAM FOR ACQUIRING COMPETENCE IN ENTREPRENEURSHIP

PART III: Being an Entrepreneur
UNIT E: Successful Selling

The National Center for Research in Vocational Education
The Ohio State University
Columbus, Ohio 43210

1980

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NATIONAL INSTITUTE OF EDUCATION

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PART III: BEING AN ENTREPRENEUR

UNIT E: SUCCESSFUL SELLING

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FOREWORD

Traditionally vocational education has been geared primarily to preparing students for employment--to preparing employees. Yet there is another career path available; students can learn how to set up and manage their own businesses. They can become entrepreneurs.

Vocational education, by its very nature, is well suited to developing entrepreneurs. It is important that entrepreneurship education be developed and incorporated as a distinct but integral part of all vocational education program areas. A Program for Acquiring Competence in Entrepreneurship (PACE) represents a way to initiate further action in this direction.

The strength behind these instructional units is the interest and involvement of vocational educators and successful entrepreneurs in the state of Ohio and across the nation. Special recognition is extended to the project staff: Lorraine T. Furtado, Project Director and Lee Kopp, Program Associate. Appreciation is also expressed to the many who reviewed and revised the drafts of the units: Ferman Moody, Hannah Eisner, and Sandra Gurvis. We owe a special thanks to those consultants who contributed to the content of this publication: Carol Lee Bodeen, Louis G. Gross, Douglass Guikema, Peter G. Haines, Philip S. Manthey, Charles S. McDowell, Mary E. McKnight, Steven R. Miller, Barbara S. Riley, Barbara A. Rupp, Ruth Ann Snyder, Robert L. Suttle, Florence M. Wellman and Roy H. Young.

Robert E. Taylor
Executive Director
The National Center for
Research in Vocational Education

HOW TO USE PACE

A Program for Acquiring Competence in Entrepreneurship (PACE) is a curriculum responsive to the need for instruction in entrepreneurship. It is primarily for postsecondary level, including four year colleges and adult education, but it can also be adapted for special groups. PACE is divided into three parts (1) Getting Ready to Become an Entrepreneur, (2) Becoming an Entrepreneur (establishing a business), and (3) Being an Entrepreneur (operating a business).

Each of the three parts has a set of instructional units which relate to that topic. Within these units, the material is organized into three levels of learning: Exposure, Exploration, and Preparation/Adaptation. These levels of learning progress from simple to complex concepts.

The levels of learning will enable you to use the PACE materials to suit your individual needs. You may find it best to work with the exposure level of one unit and the exploration level of another. Or, you may choose to pursue one level throughout the entire series. You might also want to work through two or more levels in one unit before going on to the next unit.

Before beginning a unit, discuss with your instructor what level or levels of learning in that unit are most appropriate to your goals and abilities. Read the unit overview and look through the pre/post-assessments for the three levels to help you in your choice. Also check the list of definitions you might need to look up or research for that level.

When you are ready to start, turn to the level you have chosen, take the preassessment and identify those items which you feel need special attention in the unit. Also look at the learning objectives; they will tell you what you should be able to do by the time you finish that level of learning.

As you read, you will notice questions in the margins alongside the substantive content portion of each level. Use these questions to guide your reading.

At the end of each level of learning are activities which help you become involved with the content presented in the unit. You and your instructor can decide on how many activities you should do; you may want to do several or you many need to do all.

Then, evaluate yourself. Is there any material that you need to review before you take the postassessment? The difference in your answers on the pre/postassessments should show you how much you have grown in your knowledge of entrepreneurship.

When you and your instructor feel that you have successfully completed that level, you are ready to begin another level of learning, either in the same unit or in another.

OVERVIEW OF THE UNIT

All businesses sell products or services. Successful businesses do not underestimate the need for using efficient selling principles. Successful selling means attracting new customers as well as continuing to serve old customers.

This unit deals with only personal (face-to-face) selling. It describes how to find, understand, and work with customers for your product or service. The characteristics of good salespeople and the steps of the sales process are also discussed. The unit includes self-tests and activities that will help you improve both your personal selling technique and the effectiveness of those who will be selling for your business.

PACE

PATH OF STUDY

PART I-- GETTING READY TO BECOME AN ENTREPRENEUR

Unit I A

Unit I B

Unit I C

PART II-- BECOMING AN ENTREPRENEUR

Unit II A

Unit II B

Unit II C

Unit II D

Unit II E

Unit II F

Unit II G

PART III -- BEING AN ENTREPRENEUR

Unit III A

Unit III B

Unit III C

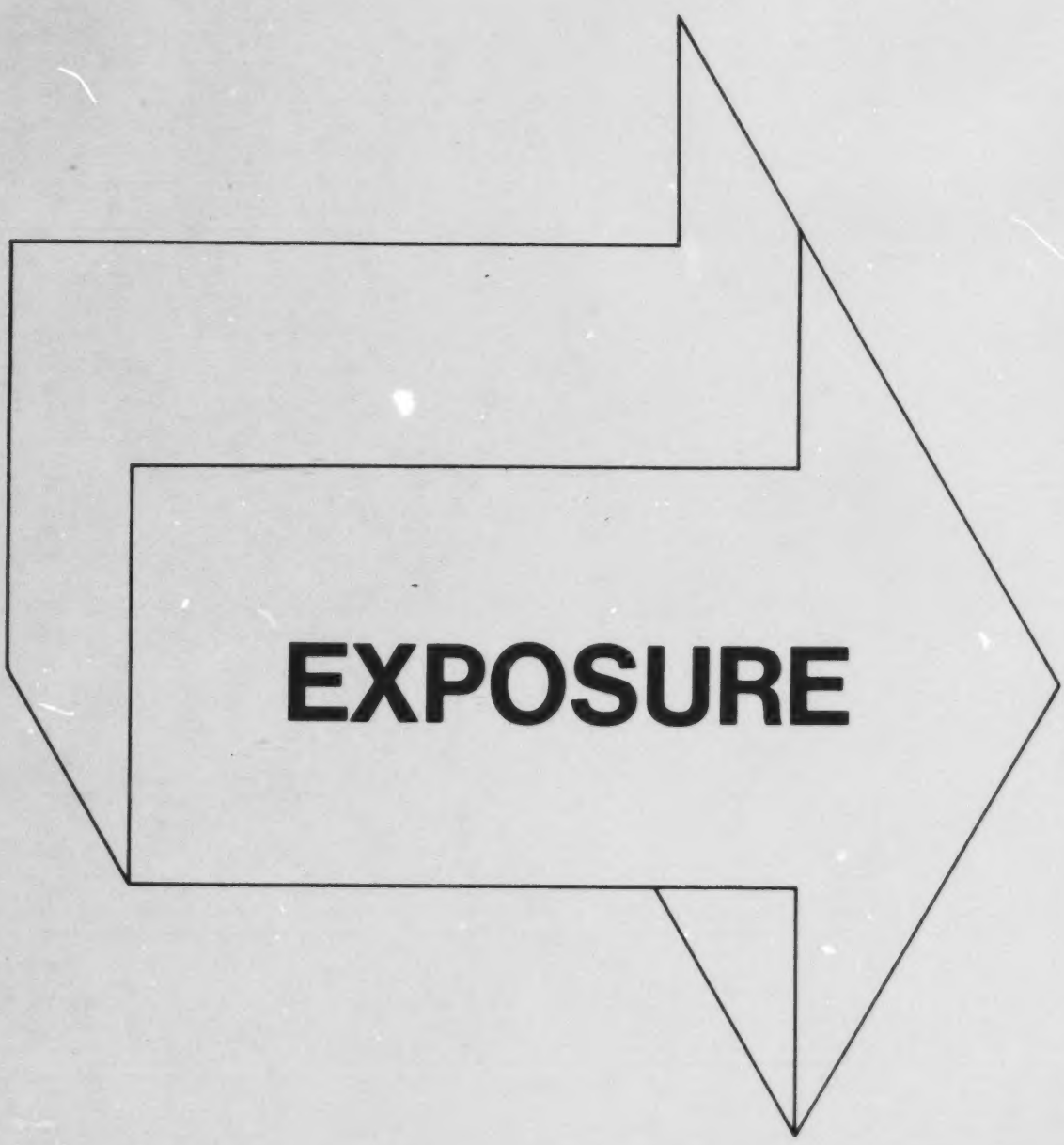
Unit III D

Unit III E -- Successful Selling

Unit III F

Unit III G

Unit III H


EXPOSURE

EXPOSURE

PART III, UNIT E
SUCCESSFUL SELLING

PREASSESSMENT

Here are some questions that test for knowledge of the contents of this level. If you are very familiar with the information needed to answer them, perhaps you should go to another level or unit--check with your instructor. Otherwise, jot down your answers. After you've read through this level, take the postassessment at the end of the "Exposure Activities" section and measure what you've learned.

1. "Nothing happens until someone sells something." Do you agree or disagree with this statement? Why?
2. How does the American Marketing Association define selling?
3. What do successful salespeople know about their customers?
4. What are the steps of selling?
5. What is the difference between consumer goods and industrial goods?

TEACHING/LEARNING OBJECTIVES

Upon completion of this level of instruction you should be able to:

1. Explain why the selling function is important to small businesses.
2. Relate the definition of selling as stated by the American Marketing Association.
3. Describe what salespeople need to know to be successful at selling.
4. List the five steps of the selling process.
5. Differentiate consumer goods from industrial goods.

SUBSTANTIVE INFORMATION

DEFINITION OF SELLING

WHAT IS SELLING?

The American Marketing Association defines selling as "the personal or impersonal process of satisfying and persuading a prospective customer to buy a commodity or service, or to act favorably on an idea that has commerical significance to the seller." Selling is helping customers make decisions. Personal selling is the process of helping customers fulfill their needs in a face-to-face situation.

PERSONAL SELLING

WHY IS PERSONAL SELLING SO IMPORTANT?

Entrepreneurs should not underestimate the importance of selling. It affects all types of businesses. Everything in today's market must be sold: ideas, services, products, and personalities. Few products or services move from the producer to the final user without personal, face-to-face selling. If a firm cannot sell its product/service it will not make a profit, and the business will fail. Whether or not a business is successful is determined by its profit or loss. The bottom line is simple: for business to be successful it must sell.

Satisfying customers will also ultimately reflect upon a firm's profits. This is done by developing effective selling

techniques. Good sales techniques convince customers of their need for a product or service. Assisting customers, treating them fairly, and being courteous are three good techniques. Acting as "customer advisor," the salesperson can help determine how the customer's needs can best be met. The customer should also benefit from the sales assistance. The entrepreneur who can sell ideas, services, products, and personalities will satisfy customers and attract additional business. These customers will return and will usually recommend the services/products of the firm to others. Therefore, good customer relations should be valued highly by the entrepreneur.

Even when the purchase is made from an automatic vending machine or other self-service outlet, personal selling via a vending-machine salesperson has usually played an important role in the placement of the vending machine and in the choice and display of merchandise in the machine. The owner of the potential outlet for the machine must be convinced that it will be an asset to the business.

Types of Personal Selling

WHAT ARE THE TYPES OF PERSONAL SELLING?

The type of business and kinds of products and services being sold determine the personal selling practices used. There are two types of personal selling (1) selling to ultimate consumers and (2) selling to industrial users. Products can be classified into consumer goods and industrial goods. Consumer goods are those products purchased by the ultimate customers for their own personal use. Industrial goods are those products

which are sold to other firms to be used in manufacturing other goods or to be included in some form in the product the company sells.

Most selling to ultimate consumers occurs in retail stores where the customer comes to the salesperson with a need. In some personal selling situations, the salesperson goes to the ultimate consumer. Examples of this practice would include insurance agents who contact prospective customers in their homes and door-to-door salespeople.

Personal selling to industrial users requires the salesperson to go to the user and attempt to determine his or her needs and convince the user to buy the product or service. In this unit all sales situations in which the salesperson goes to the potential buyer will be considered industrial selling, even though the prospective buyer may be an ultimate consumer.

Both types can be used in a sales situation. Some products are sold many times before they reach the ultimate consumer. For example, raw materials or component parts are sold to a manufacturer. The finished product may then be sold to wholesalers who, in turn, sell the product to many retailers. Finally, the retailer must sell to the ultimate consumer.

Selling techniques for each type of selling varies in the amount of product/service information provided, the time involved in the selling process, and the variety of techniques used. Another difference is that the industrial salesperson must preplan the sales meeting. Salespeople use this preplanning

time to develop the presentation and decide on sales "openers," and follow-up activities.

Customer Buying Motives

WHAT DO YOU NEED TO KNOW ABOUT YOUR CUSTOMERS?

Buying motives are the reason why people purchase a particular product or service from a particular business. Some of the reasons why people buy are to satisfy basic needs such as food, shelter and security. Other reasons are the need for comfort and the need for social approval. To be an effective salesperson, you should be able to identify and understand the motives behind a customer's interest in a product and adjust your sales pitch to appeal to that need.

Finding Prospects

HOW IMPORTANT IS FINDING PROSPECTS?

Unless customers "beat a path to your door," a great amount of time may be devoted to finding prospects. Finding prospects is an important dimension of the selling effort in many businesses. A list of prospective customers is always changing. Customers sometimes go out of business, retire, move, decide to purchase from someone else, etc.

Salespeople are constantly replacing or adding customers. In addition, some businesses sell products/services that even good customers buy relatively infrequently, such as insurance, major appliances, automobiles, fork lift trucks and pallets. Salespeople for these products/services must always seek new customers or they will go out of business.

SELLING STRATEGIES

WHAT ARE THE STEPS IN SELLING?

Generally, before you can sell any product/service successfully, you need to know as much about it as possible. This way it will be easier for you to sell the benefits to customers. Then you can map out the sales presentation and practice selling techniques.

Selling involves performing a set of activities or steps. These activities correspond to the "mental process" that every customer follows when purchasing a product or service. The five steps are:

1. Opening the sale
2. Determining customer needs
3. Presenting the product
4. Overcoming objectives
5. Closing the sale.

The steps are adaptable to any selling situation. Regardless of whether the "customer" is an industrial user or the ultimate consumer, the selling process is the same; all sales personnel follow these basic steps.

EXPOSURE ACTIVITIES

As you have just read, selling is a very important activity in all businesses. The following activities will help you become more familiar with selling.

ASSESSMENT ONE

1. Why is selling important to every business? How can successful or unsuccessful selling affect a business? Present examples of both successful and unsuccessful selling practices.
2. Write a detailed response to the following statement: "Everything today is sold--ideas, services, products, and personalities."
3. Interview at least three small business owners. Ask them how important the selling function is to their businesses. Try to interview a small retail owner, an entrepreneur in the service business, a manufacturer, and a wholesaler.
4. Do you believe personal selling will always remain as important as it has been in the past? Why? Why not? Write a short paper in response. Ask a small business owner to read your paper. Does he or she agree with you?

POSTASSESSMENT

1. "Nothing happens until someone sells something." Do you agree or disagree with this statement? Explain in detail.
2. What is the American Marketing Association's definition of selling?
3. What do successful salespeople know about their customers?
4. Identify the steps of selling.
5. Distinguish between consumer goods and industrial goods.

Compare your answers to your responses to the preassessment. You may want to check your postassessment answers with your instructor.

SELF-EVALUATION

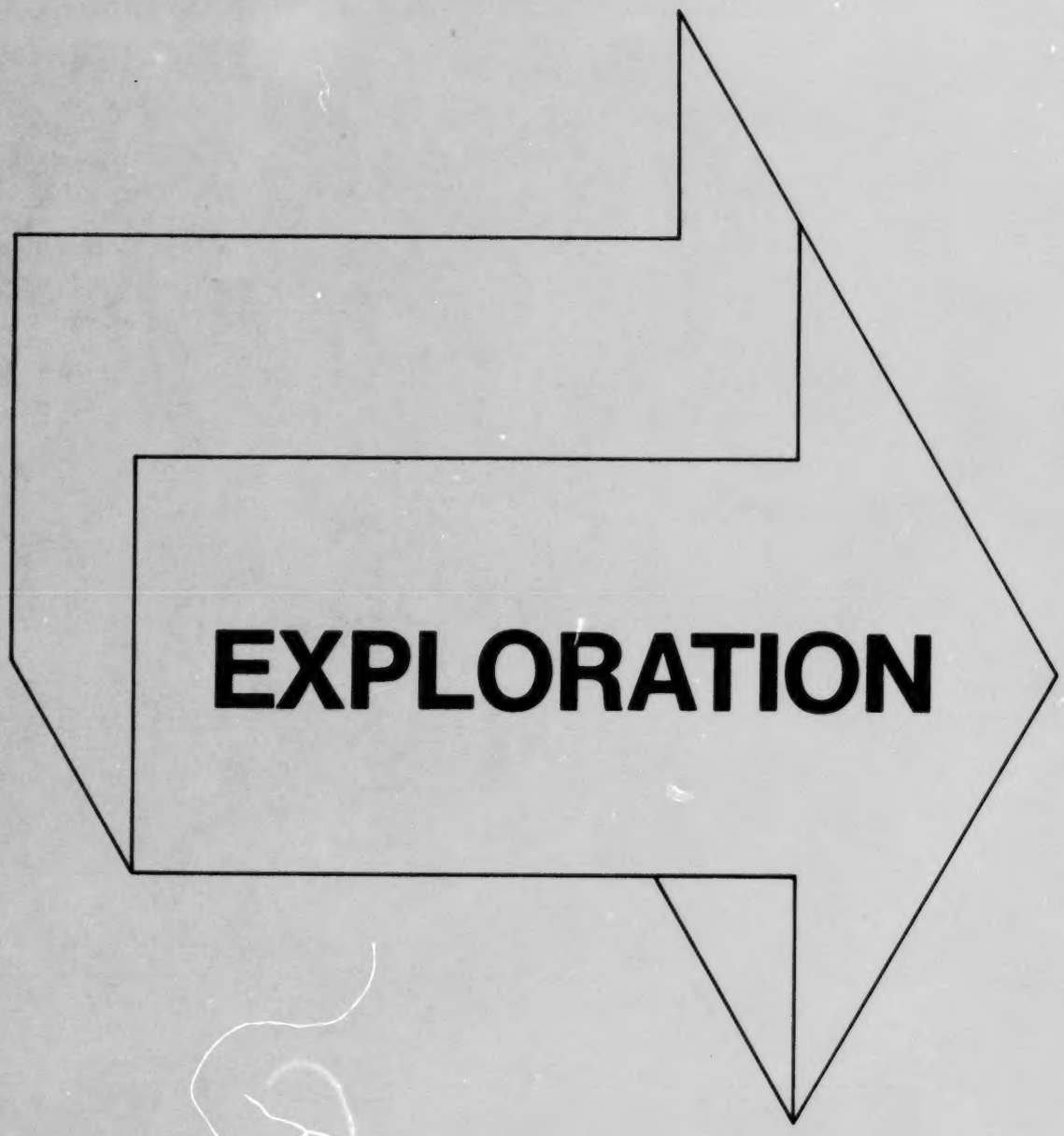
How well did you know the information needed to do the activities?

( ) Very well

( ) Fairly well

( ) A little

Be honest with yourself. If you feel you don't know the material well enough, it might be helpful to review this section before going on.


EXPLORATION

PREASSESSMENT

Here are some questions that test for knowledge of the contents of this level. If you are very familiar with the information needed to answer them, perhaps you should go to another level or unit--check with your instructor. Otherwise, jot down your answers. After you've read through this level, take the postassessment at the end of the "Exploration Activities" section and measure what you've learned.

1. What are three attributes possessed by successful salespeople?
2. What is the difference between basic buying motives and learned buying motives?
3. What are the different types of customers? How might a salesperson successfully handle each type?
4. Why is it important for a salesperson to possess complete knowledge about the products/services he or she sells?
5. What information should a salesperson be able to supply about the products/services he or she sells? How might this information be used to convince customers to buy?

TEACHING/LEARNING OBJECTIVES

Upon completion of this level of instruction, you should be able to:

1. Identify the attributes of successful salespeople.
2. Explain customer buying motives.
3. List and discuss five basic types of customers, ways to recognize them, and ways to handle them in selling situations.
4. Discuss the importance of product knowledge to the salesperson.
5. Describe the specific product/service information salespersons need to have and the sources for getting this information.

SUBSTANTIVE INFORMATION

CHARACTERISTICS OF SALESPEOPLE

WHAT ARE THE CHARACTERISTICS OF SUCCESSFUL SALESPEOPLE?

Really successful salespeople usually possess characteristics which help them in their selling endeavors. Successful salespeople have the ability to get along well with people. They have a desire to serve others, and make every effort to satisfy their customers. They are able to tailor their selling techniques to the personalities of the prospective buyer, and their attitudes reflect this. They respect each customer's needs and wants and the customers notice this. The customers respond by coming back, and by telling their relatives and friends about the good service/product.

Successful salespeople have pride in their work and accomplishments. Serving people by meeting their needs is rewarding and satisfying for the salesperson.

Dependability is another important asset of the salesperson. Customers will sometimes rely on you to locate a product, have the goods delivered, and assist in preparing an advertisement. Every effort should be made to fulfill customer requests. Your customer's faith in you and reliance on you are assets. By depending on you, your customers show they like what you are doing for them.

Being a good salesperson requires initiative, enthusiasm, and ambition. Selling is taking action. You must actively involve yourself in selling. Following a customer around and

merely taking an order is not selling. Working with customers and trying to fulfill their needs by offering knowledgeable advice and assistance is what selling is about.

The salesperson must also be honest with every customer by treating each one fairly and equally. Offer discounts and premiums only to certain customers in special situations. For example, you can give discounts to those who buy in large volume or to senior citizens. Today's consumer awareness movement has helped reduce the amount of dishonest practices by salespeople and one dissatisfied customer can mean fifty lost customers. Customers may not immediately recognize dishonest practices but they will at some point realize they "were taken."

Your personality is a key to successful selling. The effectiveness of your interaction with customers varies because of your personality. A personality that often clashes with customers is not a selling personality.

Personality may be defined as "that something which distinguishes one person from another" or "a reflection of inner self." Your overall appearance and dress, your speech, emotions, abilities, and actions make up the sum total of the image or personality you project.

"Personality" is viewed in three ways. The first is what you believe your personality is like. This view may or may not be accurate. The second is the personality you wish to develop. Each successful salesperson continually improves her or his

personality by objectively analyzing current interactions. Observation, self-assessment, and counsel of other salespersons are all effective approaches used to improve personality. The third view of your personality is how it is judged by others. This is the most difficult view for us to accept objectively. We often tend to see only what we want to see in ourselves.

Ability to communicate is another characteristic of a successful salesperson. This ability comes from experience, assessing your strengths and weaknesses, and knowing about the product or service you are selling. When approaching prospects, you should be at ease, poised, and confident. You must be able to initiate and maintain conversation effectively and present yourself and your ideas clearly. In order to speak with confidence you must know what you want to say and how best to say it.

To serve customers well, you must also be adaptable. People are frequently unpredictable. You can never be positively sure of what they will ask you or what they will want you to do for them. You should be as prepared as possible to handle various situations smoothly and correctly.

BUYING MOTIVES

WHY DO PEOPLE BUY?

Your selling success may be affected by more than just personality; motivation has a great deal to do with whether or not a customer buys. Buying motives are the needs, desires, and impluses that drive a customer to purchase a particular product or service from a particular business. Buying motives may

explain why customers buy and why they buy where they do. Industrial customers as well as ultimate consumers have buying motives. The consumer's buying motives are, of course, more personal than those of the agent or buyer who buys for use or resale.

Each person has certain basic motives which affect their buying decisions. Food, drink, sex, and comfort are basic motives. Our desire for good health and security in addition to concern for the welfare of loved ones are also basic buying motives.

In addition to basic motives, there are "learned" desires that are acquired as people mature. These motives are largely a result of our surroundings, or environment. The successful salesperson does not underestimate the influence these motives have upon a customer's buying decision.

Most people look for convenience, efficiency, and dependability in the goods and services they buy. People like bargains, quality of construction, style and beauty. Customers are also motivated by their curiosity about the product. They want to know what makes the product "tick."

The psychology of why people buy is complex. When most people buy a product or service they are attempting to satisfy more than one motive. They may not be aware of their buying motives. You can learn more about their motives if you are observant and try to analyze your own buying motives. Learning

how to appeal to and understanding basic and learned buying motives can help you sell more successfully. The effective salesperson is able to determine and capitalize on them.

CUSTOMER RELATIONS

DO CUSTOMERS BUY PRODUCTS ALONE?

The effective salesperson knows that customers don't buy "things," they buy services and products that they believe will satisfy their needs and wants. The customer has to believe in what he or she purchases. The salesperson will therefore try to sell the customer ideas, reasons, and concepts, such as happiness and self-respect, in addition to the product. For example, the successful salesperson:

1. Sells neat appearance and attractiveness, in addition to clothes
2. Sells foot comfort and style--and also shoes
3. Sells rooms that have beauty, comfort, and newness, in addition to furniture
4. Sells pleasant hours and knowledge--and also books
5. Sells playthings that make children happy, in addition to toys
6. Sells the satisfaction and profit of making your own things, in addition to tools
7. Sells the low cost per mile and freedom from worry--and also tires.

Types of Customers

ARE THERE TYPES OF CUSTOMERS?

The following guidelines can be followed in working with your customers:

TYPE OF CUSTOMER--Browsing (casual) customers
HOW TO RECOGNIZE--1. Say they are just looking.
2. Move slowly and finger merchandise.
3. Often move away when approached.
4. May buy on impluse.
HOW TO HANDLE--1. Be pleasant and welcome to look.
2. Don't pressure.
3. Invite back to store, even if the customers don't buy.

TYPE OF CUSTOMER--Talkative (friendly) customers
HOW TO RECOGNIZE--1. Are friendly, jovial.
2. Like to talk and gossip.
3. Apt to discuss personal matters.
4. Will hold up other customers.
HOW TO HANDLE--1. Listen.
2. Don't become personal.
3. Don't gossip.
4. Bring back to topic of merchandise.
5. Don't get impatient.

TYPE OF CUSTOMER--Silent (unfriendly) customers
HOW TO RECOGNIZE--1. Are not positive in nature.
2. Are not enthusiastic.
3. Talk very little.
HOW TO HANDLE--1. Don't talk to much.
2. Watch their actions.
3. Demonstrate merchandise.
4. Give selling points slowly.
5. Be patient.
6. Ask questions with a "yes" or "no" answer.

TYPE OF CUSTOMER--Undecided customers.
HOW TO RECOGNIZE--1. Continually change their minds.
2. Are afraid of not getting their money's worth.
3. Often will go home to think about it.
4. Don't know merchandise.
HOW TO HANDLE--1. Help customers decide.
2. Stress economy and quality.
3. Be firm and convincing.
4. Show variety of merchandise, one item at a time.
5. Look for signs of interest.

TYPE OF CUSTOMER--Decided (deliberate/positive) customers
HOW TO RECOGNIZE--1. Know what they want
2. Are business-like in nature.
3. Are direct in manner.
4. Ask for specific items.
HOW TO HANDLE--1. Show merchandise quickly.
2. Give selling points in direct, business-like manner.
3. Let customers do the talking.
4. Use caution in suggesting substitutes.

TYPE OF CUSTOMER--Hurried, nervous, impatient customers
HOW TO RECOGNIZE--1. Quick and abrupt.
2. Act nervous.
3. Demand attention quickly.
4. Often talk fast and loud.
HOW TO HANDLE--1. Serve promptly.
2. Sympathize with their problems.
3. Be alert--act quickly.
4. Use caution in suggesting substitutes.
5. Cover steps of a sale as soon as possible.

Industrial customers can also be classified using these personality types. An understanding of customer personalities may be useful in getting past this type of customer's secretary. You can get some idea of what kind of customer you may be dealing with when you sell the secretary on allowing you to have an

appointment. You have another primary advantage in industrial selling; there is time to prepare your sales presentation prior to meeting the customer. You can, for example, preplan your opening, consider a variety of strategies to overcome objections, and examine a number of ways to close the sale.

Although the customer types are good generalizations, all customers are different and should be treated as individuals. They may also switch from being one type to another in a short period of time or as circumstances change. However, your effectiveness as a professional salesperson will be greatly increased by your ability to perceive the major customer personality types and your knowledge of how to treat them.

PRODUCT/SERVICE KNOWLEDGE

WHAT'S THE IMPORTANCE OF PRODUCT KNOWLEDGE?

Modern technology has provided us with many new products. Advertising and other promotions are used to inform the general public or industrial customers of how products can be used. Radio, television, motion pictures, magazines, and newspapers provide the latest information about goods and services. Trade publications inform the industrial customer about products. There are books and magazines with the sole purpose of informing customers about how to get the most for their money. It is therefore the responsibility of every salesperson to develop and maintain merchandise expertise in order to be able to communicate with the informed,as well as uninformed, consumer. The salesperson should give customers the product information they need for wise buying decisions.

Before the salesperson contacts the customer, time should be taken to evaluate the amount of product knowledge the salesperson possesses and the uses that product has for the customer. In certain situations it is not necessary or useful to know everything about you merchandise. For example, if you are selling in a hardware or variety store, a general knowledge of the merchandise and where it is kept is probably sufficient.

Having product/service knowledge is becoming more essential because products and services are becoming more complex and customers are better educated and more demanding. Successful salespeople know their merchandise thoroughly before they make a sales presentation. When you are selling expensive, complicated, and technical products, complete knowledge of the goods is invaluable. A retailer selling farm tractors should be knowledgeable of the features and operation of the tractor. A customer in the market for a tractor usually wants to compare one model with others. By knowing and understanding tractor features and specifications the salesperson will be able to provide the customer with the information he or she needs.

Product/Service Information

WHAT PRODUCT INFORMATION DO YOU NEED?

What information should the salesperson have in order to sell any product successfully? The salesperson should know what is available and what is new or improved. He or she should also

know how to use the product and be aware of its features and prices. This also includes:

1. Name of product/service
2. Name of manufacturer or processor
3. Composition of product, i.e., plastic, steel, rayon, or description of services
4. Method of production, i.e., how product is made
5. What it will do; its uses and purposes.
6. How it operates/performs
7. Sizes, colors, styles, models available
8. Care instructions
9. Services provided, i.e., alterations, installations, repairs
10. Guarantees and warranties.
11. Other information which might be useful in the sales presentation such as method of payment, delivery, etc.

Obtaining the product/service information is also important. The following sources will help you get the information you need:

1. Printed materials (tags, labels, manufacturer's booklets, etc.) that accompany product
2. Advertisements
3. Instructions with product
4. Salespeople and supplier's representatives
5. Catalogs, trade magazines and newspapers

6. Coworkers
7. Customers who have used the product
8. Your experience with the product
9. Training programs for salespeople.

Industrial Product/Service Information

WHAT ABOUT INDUSTRIAL SALES?

Manufacturers selling to industrial users must possess a thorough technical knowledge of the product being sold. It must fit the exact specifications of the user. The information needed is probably more detailed than in other selling situations. The customer is concerned with cost vs. value, services available, delivery time, modifications, technical information, and cost variances. Therefore, informational techniques can be used in attempting to meet the needs of the industrial customer. These include the following:

1. Cost vs. Value--You may have to help educate your customer on what the product means to that firm in terms of dollars to be saved when that product is used. The company's annual report will supply this information.
2. Services Available--The customer will want to know what you will do after the product is purchased. You should be prepared to answer the following: Will you still make regular calls? Will your company assist with the installation or setup? Can your company make an estimate of the cost of adapting production lines to use your product?

3. Delivery Time--Can you guarantee turnaround time? Customers do not normally want to carry a large inventory, so they prefer a short delivery period. The customer has to be assured that the time between placing an order and delivery is compatible with her or his production schedule.
4. Modifications--Customers will be concerned with the modifications that can be made to your product, such as adding a bend, an elbow, more wattage, or adapting other parts. Having the answers will help make sales.
5. Technical Information--Customers will also ask specific information about the technical aspect of the product. Some customers will be very concerned with its ability to maintain quality controls in line with their production tolerances, such as tensile strength, malleability, heat tolerances, etc. They are trying to figure out how useful your product will be to their company.

Answering Customer Questions

WHAT QUESTIONS SHOULD THE SALESPERSON BE ABLE TO ANSWER?

You and your sales force should be able to answer these questions: What can and what can't my product/service do? How do my products/services compare with those of competitors? How can the products/services I sell solve customer problems? How do my products/services relate to other products and systems?

The first of these questions, "What can and what can't the product do?" is a prime customer concern. All too often, questions

about performance are answered with generalities. For example, the question, "How does this picture tube hold up?" might be answered: "It holds up real well, these picture tubes seem to last forever." This answer gives no specific information. The customer may conclude that the salesperson is uninformed about the product or is exaggerating its qualities. Successful salespeople will anticipate questions about performance and will have the facts ready to present in a convincing manner. Specific answers about performance are helpful and create confidence in the salesperson. A much better answer to the question about the picture tube would be: "People who bought this model up to fifteen years ago were surveyed about the service they have needed. This survey indicated that it required a minimum number of repairs. I also have a copy of Consumer Report magazine that has given our model an excellent rating..."

The second question, "How does my product compare with those of competitors?" is often raised by the knowledgeable consumer. Your customers often know quite a lot about the products of others, especially if the contemplated purchase is a large expenditure. In this case, they usually shop around to make price and other comparisons. Knowledge about what your competition has to offer is an asset to you. You should know about your competitors' terms, policies and services. Keeping up with what the competition is doing is a continuous job. To keep up-to-date, you should carefully read advertisements of competitors and listen

to what colleagues, friends or other entrepreneurs have to say about them. You can also learn about competitors by listening to customers, and talking with suppliers, and merchants who handle competing products. This information is invaluable when making comparisons during the sales presentation.

The third question often asked is, "How can the products being sold solve customer problems?" Modern selling methods emphasize problem-solving. Finding solutions to these problems are the result of communication of knowledge and ideas, and today's salesperson is often a customer advisor. However, you must earn credibility with customers before they will accept your problem-solving ideas. At the consumer level, the customers may want to know what size or type (riding or push) of lawnmower they should buy to fit their needs. At the industrial level, the user of an industrial adhesive product may need a special adhesive for a particular application. In this case, the salesperson may need to have chemical information or rely on supporting personnel who can provide the knowledge to solve the problem.

"How do the firm's products relate to other products and systems?" This is another important question. Knowledge of product/service interrelationships comes through experience, discussion, and combined study. Salespeople can learn more about companies and the systems they use by reading trade journals and newspapers. You should also be able to state what the

limitations of your product are. Customers may become disappointed when the product does not perform the way they expected. It is better to inform customers of the product limitations in advance. If several products or services are needed to accomplish a particular job, and the salespersons who know how their products and services relate to each other and their limitations in a given situation will have the advantage over those who do not.

Your knowledge about systems may be a pleasant surprise to customers. A real estate salesperson who can arrange to sell a home before another one can be purchased, who can help arrange financing, and who can give the client information about the location of schools, tax rates, insurance availability and shopping districts will earn respect and the continuing business of customers.

EXPLORATION ACTIVITIES

Do you feel knowledgeable enough in selling to put sales techniques into practice? The following activities will help you experience some "real" selling situations to give you an opportunity to utilize what you have learned. After completing the activities, do a self-evaluation to check your understanding of the material.

ASSESSMENT ONE

A SELF-ASSESSMENT

Do you believe you possess the characteristics of a successful salesperson? Would you like to know how to become a better salesperson? The self-analysis which follows was developed by the Dartnell Corporation and is the result of years of research and counseling with large numbers of salespeople. It will give you an opportunity to check yourself with reference to sixteen personal and business characteristics. It will also help you identify your strengths and weaknesses. It is best to be honest; only you will see the results of this self-analysis.

HOW TO GRADE

Grade each point on the basis of 0 to 10. If you believe that you are what you should be, give yourself 10 points; if only medium, 5 points; and if entirely disqualified, give yourself a 0; give any intervening points for other values.

Apply just ordinary common sense. Consider what a discriminating person in full possession of the facts would give you.

When you have graded each of the 100 points, add the figures and place the sum in the proper place at the end of the column. Divide by 10 for your percentage of efficiency.

	GRADE YOURSELF HERE
I. APPEARANCE	
1. Is your expression pleasant	____
2. Clothes spotless and pressed, shoes shined	____
3. Are your clothes selected with taste--style, fit, color, harmony	____
4. Do you look like you are master of yourself	____
5. Are your manners pleasant and friendly	____
6. Do you correct all appearance liabilities	____

GRADE YOURSELF HERE

II. HEALTH

7. *Is your health a 100% business asset* ____

8. *Is your health as important as money* ____

9. *Do you observe the simple health rules regarding eating, drinking, breathing, and exercising* ____

10. *Is your power of endurance above average* ____

11. *Lost any workdays this year due to illness* ____

III. FEARLESSNESS

12. *Are you at ease before strangers or superiors* ____

13. *Are you conscious of the new courage that results from acquired power* ____

14. *Do you follow your own convictions* ____

15. *Have you eliminated all fear of the future* ____

16. *Do you meet problems squarely without evasion* ____

17. *Do you use knowledge to banish fear* ____

GRADE YOURSELF HERE

IV. SELF-CONFIDENCE

18. Are you sure of yourself at all times ____

19. Do you use and apply your knowledge ____

20. Do you start things with confidence rather than doubt and cold feet ____

21. Are you confident about your own judgment ____

22. Is action the result of your self-confidence ____

23. Are you able to inspire confidence in others ____

V. AMBITION

24. Is your life's aim big enough for your ability ____

25. Do you back your ambition with decisive action ____

26. Do you plan each day to advance a step ____

27. Do you study the best ways for personal advancement ____

28. Do you take full advantage of opportunities ____

29. Are you eager to end well in life ____

30. Would fulfillment of your ambitions make this world a better place ____

GRADE YOURSELF HERE

VI. WILL POWER

31. *Is your will power trained for decisive action* ____

32. *Can you shoulder responsibility without worry* ____

33. *Do you control your temper and words* ____

34. *Can you shed nonessential details?* ____

35. *Do you make enough time for self-development* ____

36. *Is your will like "high-tempered steel"* ____

37. *Is daily practice of your will power a habit* ____

VII. CONCENTRATION

38. *Do you train yourself to concentrate at will* ____

39. *Are surroundings picked to favor concentration* ____

40. *Does business study get undivided attention* ____

41. *Can you concentrate for a long period* ____

42. *Are you developing a clear, accurate, hard-thinking business mind* ____

43. *Do you really "think" rather than kid yourself to believe you think* ____

		GRADE YOURSELF HERE
VIII.	SUGGESTION	
44.	Do you seek the value of positive ideas	____
45.	Do you avoid negative suggestions	____
46.	Is indifference allowed to hinder progress	____
47.	Do your manners serve as positive suggestions	____
48.	Do you use the power of self-suggestion	____
IX.	TACT	
49.	Do you get along well with most people	____
50.	Do you try to "lead" rather than "boss"	____
51.	Do you avoid loss of temper and sarcasm	____
52.	Do you avoid hasty remarks that hurt others	____
53.	Do you always practice the highest courtesy	____
54.	Do you always express appreciation when due	____
X.	INTEREST	
55.	Are you deeply interested in your own work	____
56.	Do you make careful daily observation of your work to improve it	____
57.	Are you interested in the human problems of business management	____

		GRADE YOURSELF HERE
X.	*INTEREST (CONT'D.)*	
58.	*Do you observe people's features and study their characters*	____
59.	*Do you endeavor to read people's thoughts to anticipate their needs*	____
60.	*Have you a scientific interest in problems of modern business*	____
61.	*Are you yourself your greatest object of constructive study*	____
XI.	*SINCERITY*	
62.	*Is your word as good as a bond*	____
63.	*Do you have high ideals of life and service*	____
64.	*Is your work interesting rather than routine*	____
65.	*Do you stand loyally by your deserving friends*	____
66.	*Are you sincere even though it sometimes results in apparent disadvantages*	____
67.	*Are you honest for other reasons than because "it pays"*	____
68.	*Do you practice what you demand from others*	____
XII.	*ALERTNESS*	
69.	*Can you understand viewpoints of others*	____
70.	*Are you quick to understand instructions*	____
71.	*Are you known as a wide-awake person*	____

		GRADE YOURSELF HERE
XIII.	MEMORY	
72.	Is your memory excellent	____
73.	Do you train your memory for improvement	____
74.	Do you remember names as easily as faces	____
75.	Can you forget nonessential facts	____
76.	Do you depend on trained memory power rather than short-cut methods	____
77.	Do you consciously combat every tendency to absentmindedness	____
XIV.	EFFECTIVE SPEECH	
78.	Do you talk without hesitation	____
79.	Are your ideas clearly and logically organized	____
80.	Are you master of yourself when talking to a group of people	____
81.	If eating with superiors are you at ease	____
82.	Do you convince people	____
83.	Do you secure the desired action from people	____
XV.	INITIATIVE	
84.	Do you seek opportunities to better yourself	____
85.	Do you make plans to realize your goal	____
86.	Do you have to be "told" less than the average	____
87.	Do you make constructive suggestions freely	____

		GRADE YOURSELF HERE
XV.	*INITIATIVE*	
88.	*Are you systematically developing your power of constructive imagination*	____
89.	*Are you right now thinking of how to profit by use of this chart*	____
90.	*Are you able to meet new situations with dispatch and confidence*	____
91.	*Does experience prove your ideas practical*	____
XVI.	*RELIABILITY*	
92.	*Are you known as a person who "gets things done"*	____
93.	*Are you trustworthy in little things*	____
94.	*Is your credit good at all times*	____
95.	*Do you keep your promises and appointments*	____
96.	*Are you reliable in all of your work*	____
97.	*Is your judgment so sound and reliable that it is sought by others*	____
98.	*Do you establish your "reliability" as thoroughly as your "ability"*	____
99.	*Do you deliver dependable results without supervision*	____
100.	*Are you absolutely loyal to your organization*	____
	TOTAL POINTS	____
	YOUR PERCENTAGE OF EFFICIENCY (Divide above sum by 10)	____

(Sales Management Guide, 1973)

ASSESSMENT TWO

1. Interview at least three salespeople. What personal attributes do they feel contribute to their success or failure in selling situations? Summarize. (If possible, interview retail, service, and industrial salespeople.)
2. What buying motives affected your buying decisions in four recent purchases? List what you bought and what motivated you to buy.
3. List at least five products you have seen advertised in magazines, in newspapers, and on television. List the buying motives that the advertisement appealed to.
4. Choose a product that is advertised on television, in magazines, in the newspaper, etc. What information can you learn about the product from these advertisements? Go to a store that sells the product and find out as much about it as you can (manufacturers, uses, etc.).
5. Select two products in the same field (for example, two dishwasher soaps, two swing sets, and two electric can openers). Locate and write down as much information about them as possible. Then compare the products. Does one product have features the other does not? Did the information you gathered emphasize points of difference? You may want to use a chart, like the sample one that follows to complete your work.

Product Knowledge/ Features	Product A	Product B	Comparison
Product Name:			
Who makes the product?			
Materials used in product.			
How is it manufactured?			
What are the main uses?			

POSTASSESSMENT

1. List and discuss three attributes possessed by successful salespeople.
2. Distinguish between basic buying motives and learned buying motives.
3. Name five different types of customers (based on types of personalities). Describe each type and provide some suggestions on how a salesperson might successfully handle each type.
4. Why is it important for a salesperson to possess complete knowledge about the products or services he or she sells?
5. Discuss the specific information a salesperson should possess about the products/services and provide examples of how the information might be used to convince customers to purchase the merchandise.

Compare your answers to your response to the preassessment. You may want to check your postassessment answers with your instructor.

SELF-EVALUATION

How well did you know the information needed to do the activities?

( ) Very well

( ) Fairly well

( ) A little

Be honest with yourself. If you feel you don't know the material well enough, it might be helpful to review this section before going on.

PREPARATION/
ADAPTATION

PREASSESSMENT

Here are some questions that test for knowledge of the contents of this level. If you are very familiar with the information needed to answer them, perhaps you should go to another level or unit-- check with your instructor. Otherwise, jot down your answers. After you've read through this level, take the postassessment at the end of the "Preparation/Adaptation Activities" section and measure what you've learned.

1. What are the steps of the selling? How do they relate to each other?
2. What is prospecting? What are some of the sources available for finding new prospects?
3. What are two methods for overcoming customer objections?
4. Why is self-evaluation of your selling techniques important?
5. Assume you are making a sales presentation. What techniques would you use to get the customer "involved" in the selling process?

TEACHING/LEARNING OBJECTIVES

Upon completion of this level you should be able to:

1. List and discuss the five steps of the selling process.
2. Discuss the importance of prospecting and be able to list sources of new prospects in the consumer/user and commercial fields.
3. Discuss the importance of self-evaluation of performance to salespeople.
4. Identify and describe two methods of overcoming customer objections.
5. Explain the importance of measuring customer involvement in the selling process and describe various techniques used to get the customer involved.

SUBSTANTIVE INFORMATION

PROSPECTING

WHAT ARE SOME OF THE SOURCES FOR FINDING NEW CUSTOMERS?

Armed with information about yourself, your company, and your merchandise, you can enter into the selling process with confidence. First, however, you must have potential customers or clients. You should find out who and where your prospects are. Does the prospect have the authority to make the buying decision? People you identify as prospects who do not have money or credit will not be productive contacts. Who will buy your products and services and where are these customers located? Creativity and initiative set the limit on the prospecting skills of a salesperson. There are several ways of meeting prospects. They include:

1. Joining organizations. The entrepreneur and successful salesperson will want to join local organizations, such as civic groups. You will be joining an organization of potential customers and obtaining referrals.
2. Making contact with people who do business with your type of customers. If you use this method, you may pay for "leads" or referrals to prospects. This is done in many fields. In the automobile business, salespeople may pay a flat fee to have new prospects referred to them. Paying fees for prospects in the real estate field is an illegal practice, though. You should find out under what circumstances your state allows this practice.

3. Getting sources from customers. Satisfied customers will often refer friends and relatives to you. You may ask customers for references or simply ask them to "tell their friends."
4. Surveying public references. Careful reading of news items and want ads provides news about people moving in and out of town and may suggest leads for certain kinds of goods and services.
5. Canvassing door-to-door. Although it is very hard work, those using this method will usually find customers.
6. Reading directories and trade registers. These publications offer a rich supply of references. Moody's Industrial Manual, Dun & Bradstreet's Reference Book, Thomas' Register of American Manufacturers, and state directories will give you detailed information about thousands of companies. Local Chambers of Commerce and city directories offer information also.

THE SELLING PROCESS

WHAT ARE THE STEPS OF A SUCCESSFUL SALE?

There are numerous descriptions of how the selling process functions. The basic five step selling process can be adapted to specific selling situations. The five steps are (1) opening the sale, (2) determining customer needs, (3) presenting the product or service, (4) overcoming objections, and (5) closing the sale.

Step One - Opening the Sale

HOW DO YOU OPEN THE SALE?

The opening of the sale, or approach, is very important in determining the outcome of the sale. Developing a proper customer approach requires skill and judgment, friendly interest, and a sincere desire to be of service. In the approach, the objective is to gain the interest of the prospect and to put him or her in a receptive frame of mind. If this is done properly, the sales transaction will probably be successful.

First impressions are terribly important in selling. The first impression determines how much attention and time the salesperson will receive. In some types of selling, the first 10-20 seconds of the sale may set the tone and determine the success or failure of the sales presentation.

The approach should always be positive. The customer should be welcomed with a smile and a pleasant greeting and made to realize that the opportunity to serve him or her is appreciated by the salesperson and by the company. The salesperson should be prompt and enthusiastic; salespeople must sell themselves before they can sell a product or service. The salesperson should be sincere, friendly, courteous and have a desire to serve rather than sell the customer. A salesperson combines all the elements of a good approach and:

1. Helps put customers at ease
2. Helps make the customer tell you what it is he or she is interested in seeing

3. Helps create a favorable impression on customers of you and your company
4. Helps to build customer confidence in you
5. Helps to start the sale and involves customers in what you are selling.

Types of Approaches

WHAT TYPES OF APPROACHES ARE THERE?

Industrial approach. The industrial approach is used in selling to businesses. A handshake combined with a friendly greeting is common practice in this approach. If you know the person well, greeting him or her by name adds a more personal touch. Then an opening statement of a somewhat general nature is usually made. It is best if you do not move directly into the sales presentation. You should offer creative thoughts about your company, the prospect's company, the product or system it is a part of, or other current news. Keeping well informed and in tune with the business world provides interesting ideas and information that may be offered in an opening statement. Gathering information is done as a part of preplanning.

Selecting the best industrial approach depends on how well you have prospected customers and how sensitive you are to their needs. On a first call, your approach ought to be product oriented. When you call the second time you will know more about the firm and the prospective customer's needs.

Retailing approach. The merchandise approach is usually the most successful of retailing approaches. It is used when a

customer is examining merchandise. In this approach, you begin by making a statement or asking a question about merchandise which seems of interest to the customer. This ties the customer's attention and interest to the merchandise. For example:

Salesperson: (Approaching a customer who is looking at a sweater.) "This sweater is 80% wool and 20% Dacron. It is wrinkle free and the wool makes it very warm. It's washable to."

Customer: "Washable? No ironing? Great! What colors do you have in my size?"

Another approach in retailing is the personal approach. In this situation, the customer is well-known and is recognized on an individual basis. This approach is effective because it personalizes the initial contact. Most customers like to be shown special recognition and respond receptively. Using the personal approach creates a friendly atmosphere, and helps build goodwill for the store. It should be sincere, however, and not overdone. The following is an effective personal approach:

"Good morning, Mr. Brillhart. Do you remember the circular saws you were asking about the other day? They just arrived."

The service approach in retailing is used when the customer is not looking at merchandise, is unknown to you, and may be waiting for someone to assist her or him. This is the most commonly used but usually least effective approach, and should

be used only when you are unable to use another type. Examples of questions used in this approach are: "May I help you?" "Is someone helping you?" "Have you found what you are looking for?"

Step Two - Determining Customer Needs

HOW DO YOU DETERMINE CUSTOMER TYPES?

In all types of selling the object is to meet the needs of the buyer. The second step of the selling process is determining what your customer wants and needs. In some selling situations you may know in advance what the customer wants, or at least have a general idea. Some customers can state exactly what they are looking for.

Other customers may not know what is available and will need your advice. In this situation you must listen carefully to find a selling signal in the conversation. You may also ask a few well-chosen questions to identify the item that is needed. These questions depend upon the article needed and the information given by the customer. Avoid asking too many probing questions which could make the customer impatient. Only questions that help pinpoint what the customer wants need to be asked. These questions might concern the intended use of the merchandise and the identity of the user, for frequently the person buying the merchandise is purchasing it for someone else.

Asking customers point-blank how much they want to spend is not a good idea. Instead, the salesperson should start by showing items in the medium price range and then work up or down, according to the customer's reactions. Observation of the

customer's clothes, actions, and comments can be used as a general guide to the type of merchandise being sought. However, you must be careful not to place more emphasis on your customer's appearance than on your communication with him or her.

Step Three - Presenting the Product or Service

HOW DO YOU PRESENT THE PRODUCT OR SERVICE?

The third step in the selling process is the presentation of the product or service. The presentation is the process of proving that the product can and will do what the salesperson says it does. Once the salesperson knows what information or merchandise the customer wants, then it must be shown to the customer and its selling points demonstrated. How you present the product or service will be a deciding factor in the customer's decision to buy.

It has been estimated that customers remember only 10% of what they hear and 35% of what they see. Customers retain about 65% of the information received with a combination of seeing and hearing.

No one likes to listen for too long a period of time. If people are "talked at" for any length of time, their attention wanders. "Talking at" rather than "talking with" prospects loses many sales. A salesperson who simply sits across a desk and recites a list of memorized sales points may be perceived as insincere by prospects.

Involvement is the key word in a successful presentation. If you can involve the customer, your demonstration and selling

points appear to be more personal and tailored to fit individual needs. The more senses you can appeal to, the more effective the presentation will be. When you involve customers in handling and demonstrating the merchandise, the amount of information they retain skyrockets to between 75-95%. You can involve customers by handling them samples to examine or blueprints and illustrations to look at and talk about together. Physical acts such as holding a product, helping unfold charts, and testing the way something works also produce a feeling of involvement.

Through experience, the salesperson will learn to sense how well the presentation is going. If you are alert to your customer's reactions, facial expressions, and other body language you can often sense their acceptance of your presentation. However, at times they may not comment on what they like or dislike, and you may have to ask additional questions.

Your knowledge of the product and its operation is also evident in the presentation. Abundant knowledge used discreetly helps tremendously in persuading customers to buy.

When you are presenting the merchandise, you are also selling possible solutions to the customer's problems. Customers buy merchandise they think will help themselves or their company. When presenting products, tell customers how the merchandise will satisfy their individual needs.

The following is a summary of "do's" and "don't" of presenting merchandise:

DO:

1. Present the product/service promptly and stress values and benefits.
2. Determine the interests of the customer and know why customers buy your product.
3. Involve the customer and appeal to several senses in the presentation.
4. Know yourself, your customers, your store, and understand what your goods and services can do for the customer.

DON'T:

1. Stress price and confuse the customer by showing too many items at once.
2. Start at extremely low or high price if no price preference is stated by the customer.
3. Forget the buying motives of your customer.
4. Rush the customer.
5. Push your personal preferences onto the customer, even if an opinion is asked.

Industrial Presentations

WHAT DO INDUSTRIAL SALESPEOPLE NEED TO BE CAREFUL ABOUT?

Industrial salespeople should be aware of the fact that customers may possess some negative feelings about salespeople coming to the company. This condition places an even greater responsibility on the salesperson. The following ten suggestions

summarize the main things to remember, especially in an industrial sale:

1. *Be sure your physical appearance is beyond reproach.*
2. *Be prompt in keeping appointments or in waiting on customers who are ready for your attention.*
3. *Be genuinely interested in the customer and his or her problems.*
4. *Have confidence in yourself and your product or service.*
5. *Greet the customer cordially and with suitable opening remarks.*
6. *During the approach, try to sense the customer's mood and adjust your remarks to it.*
7. *Have your selling points organized so that your strongest ones can be used early.*
8. *When possible, give the prospect a sample of your product.*
9. *In opening a sale, appeal to as many senses as possible.*
10. *Place a value on the buyer's time as well as your own.*

(Fundamentals of Selling, 1969, p. 281)

Step Four - Overcoming Objections

HOW CAN YOU OVERCOME CUSTOMER OBJECTIONS?

The fourth step in the selling process is to overcome objections. A critical moment in the sale occurs when you hear a customer raise an objection. What you do next determines whether you turn an objection into a sale, or meekly accept the objection as a valid reason for failure.

Before objections can be overcome, they must be understood. The customer may raise objections for the following reasons:

1. The customer is not convinced of a need for the item. In this case you must provide additional information about the product or point out the additional worth and uses it has.
2. The customer has insufficient information on which to make a buying decision. He or she may not know about certain features your product has. You may not know your customer wants a remote control television until you show that customer several sets, and she or he says "I like that model but I wanted one with remote control." You then simply show the desired model (if you have one).
3. The customer thinks the price is too high. If you can give the customer information about the product that will justify the price, this objection may be avoided. You may point out the fabric quality or extra features. If the price objection cannot be solved by justifying the price of the item, a less expensive item should be shown. If the price objection cannot be solved by showing a less expensive item, you can offer the use of a charge account or a lay-away plan.
4. The customer is misinformed about the product. You must know or be able to obtain complete product information to convince the customer to buy.

5. The customer wants to "think it over" or have more time before buying. The customer may want to compare products or ask a friend's opinion about buying. You should not be "pushy" in trying to convince customers to buy immediately. Let them know they are welcome back any time. You might also want to remind them of the benefits and uses of the product before they leave.

Handling Objections

CAN YOU DEVELOP EXPERTISE IN OVERCOMING OBJECTIONS?

Too many inexperienced salespeople fear objections because they do not know how to cope with them. To an experienced sales person, an objection is often a sign that the prospect wants to know more about the product or service being sold. Correctly handled, objections can be converted into selling points in your favor.

How can a salesperson prepare himself or herself to answer objections? No matter what method you use, listen carefully to and act interested in the customer's objection. The customer becomes obligated to listen to your answer in the same courteous manner. When answering the objection you should not hurry. Not only does pausing allow you time to answer the question correctly and properly, but it also indicates respect for your customer. You also show that you feel your customer's objection is worth voicing.

Two additional rules to follow when answering objections are:

1. Never argue when overcoming objections. The best way to lose a sale is to win an argument.
2. Never magnify an objection. Generally, the longer an objection is discussed, the larger it becomes.

There are a number of methods used in answering objections. One method is called the "yes-but" method. In this method the salesperson agrees with the customer but points out an advantage equal to or greater than the objection. When a customer raises a point of objection you would first agree with the customer, then respond in a logical manner. For example: "Yes, I understand how you feel about 100% cotton. But, did you know that cotton is the coolest fabric? For your trip to Acapulco in August, cotton would be ideal for you."

When using the "boomerang" method the salesperson attempts to turn the prospects' objections around and direct it back at the prospect in the form of a reason to buy.

Customer: "You don't use any soap in cleaning my carpet. I can't believe that it'll come out clean."

Salesperson: "We have found that soap residue resulting from carpet cleaning is the main cause of new soil. With steam cleaning, we can clean your carpet without leaving soap residue. Your carpets will stay clean longer."

Sometimes you will discover hidden or unexpressed objections. The "direct question" method is used when customers are not yet ready to buy, and have not raised any objections as to why they should not buy the items. Direct questions should ask who, why, what, and when. For example:

What color did you buy last time?

When would you like to have it delivered?

Why did you buy a two-door model the last time you bought a car?

Who will be using this car the most?

These techniques for handling objections can be used alone or in combination. You will also find that in certain situations a specific method may work. Do not, however, attempt to rigidly classify objections and feel that any one method or combination will work in a given situation.

The techniques you use to overcome objections should not appear "canned." Practice with them. You will need to feel confident with the techniques before you use them with customers. Experience at handling objections will enhance your perceptions about customer behavior and you will soon become a better salesperson because of it.

Step Five - Closing the Sale

HOW DO YOU CLOSE A SALE?

The last step in the selling process is closing the sale. Your success in selling depends ultimately, not on your ability to find, interest, or make friends with prospects, but upon your ability to close.

In today's competitive markets, a good salesperson must know when to close. More sales are lost because the salesperson did not try to close at the right time; he or she either waited too long or tried to close before the buyer was ready.

The salesperson should be prepared to close at any time during the selling process. The last three steps of the selling process--the presentation, overcoming objections, and closing--are all closely connected. It is impossible to tell exactly where one step ends and the next begins. A customer may be ready to buy before you get through your presentation. The customer may have no objections about buying the product. If there are objections, closing should be attempted when the salesperson feels that he or she has met the customer's objections. In general, if you have created favorable conditions throughout the selling process the closing of the sale will come naturally.

It should be noted that your first try at closing may not succeed. Do not become discouraged. The closing may have failed because the customer desired more information. You may need to re-emphasize product/service benefits or answer additional objections. You should attempt to close again and again. Do this, of course, in a manner that does not offend your customer.

Do not be afraid to close. You are a salesperson and the customer expects you to sell merchandise, so do not be bashful. Be bold and forceful in closing but avoid being too pushy and possibly irritating your customer. Closing should be natural and logical, not a battle of nerves or wits.

Buying Signals

WHAT ARE BUYING SIGNALS?

The time to close is when the customer is ready to buy. Knowing how to read customer buying signals is the only "secret" good closers have. There are two ways to determine whether the customer is transmitting a buying signal: one is to watch the customer and the other is to listen to the customer.

Watch the Customer. You should be aware of physical actions and facial expressions. The customer may be smiling, have a peaceful look, and an overall agreeable expression. The customer may reach for a purse or billfold. The customer may pick up a certain item several times to examine specific features. The customer may step back for a better look, or may lift an item or give some other sign such as rereading part of the literature or examining the label. Usually, these actions indicate that the buyer would like some help in making a decision. These are times when you should try to close the sale.

Listen to the Customer. Customers may ask certain questions that tell you they are thinking about buying the product. Listen for questions such as: "Do you deliver?" "May I put this on layaway?" "May I exchange this or get my money back if I change my mind later?" Such questions indicate that they are interested in making a purchase. Customers may make statements that show they want to buy, but need further encouragement to do so, such as: "I hadn't planned on buying this today," or "I don't really need this jacket, but I like it." They may also simply state

they wish to buy. These are all good times to try to close the sale.

Five Methods to Close a Sale

ARE THERE METHODS FOR CLOSING A SALE?

There are a number of methods to use in closing a sale. Experimentation with these and other closing methods is advisable. By experimenting you will learn the "best" ways to close in specific situations. Five of these methods include the following:

1. Ask for the order. This is the overlooked method for closing a sale. Some customers like this frank, straightforward approach.
2. Summarize the main points of the sales presentation. You should emphasize the selling points that appeal most to your customer.
3. Assume that the customer has decided to buy. You indicate this by your actions or by making a statement showing you feel the sale has been made.
4. Close on minor point. It is easier for a customer to make a minor decision than a major one. Asking which color the customer prefers or if he or she will pay cash or charge the item can close the sale.
5. Offer added incentives. Offering free delivery, alterations, or a cash discount when the customer hesitates are examples of this.

Evaluating Your Selling Techniques

HOW CAN YOU IMPROVE YOUR SALES TECHNIQUES?

Selling has a lot to do with human relations. Striving for improvement should be a continuing process. To improve your selling techniques, you need to constantly evaluate yourself or those you supervise. Self-evaluations, simulated sales demonstrations, and critiques are excellent methods for strengthening sales skills. The following is an evaluation tool used for retail entrepreneurs.

1. *Do you regularly inform your salespeople about the new merchandise coming into the store and the promotions of it that you have in mind?*
   Comment: Lack of adequate knowledge--particularly about newer merchandise--is the cause of much inept selling. When you talk to your salespeople about new merchandise, you should also stress information on merchandise care and special selling techniques.

2. *Do you observe each salesperson in action, evaluate the selling technique, and offer suggestions for improvement when needed?*
   Comment: You should always compliment your salespeople when they do well, and not restrict your interest to criticizing them when they do poorly. Any necessary reprimand should be given in private, not before other salespeople and never before customers.

3. *Do you select special-suggestion items for salespeople to push each week?*
   Comment: These items need not always be low in price or limited to advertised goods, but they should always be timely and of excellent value. It is better to select special-suggestion items than to leave their choice wholly to the ingenuity of your salespeople. (Management Audit for Small Retailers, 1971, p. 71)

Assessment one in the "Preparation/Adaptation Activities" section of this level is a self-evaluation used by all types of sales people.

SUGGESTION SELLING

WHAT IS SUGGESTION SELLING?

Once the sale has been closed on the merchandise desired by the customer, the salesperson has an excellent opportunity to further serve the customer and promote his or her own interests through suggestion selling. This is particularly true in retail selling. You may suggest another item to accompany the merchandise sold or suggest new merchandise, a product on sale, or a special purchase. Customers often welcome suggestions because it saves time and effort and makes shopping more pleasant. The store's image is also enhanced because customers feel that the store is interested in serving them.

FOLLOWING UP CUSTOMER CONTACTS

WHAT DOES FOLLOWING UP THE SALE REQUIRE?

As an industrial salesperson,you should never leave a customer without having a reason to call back. The follow-up is the opportunity you need to prove your credibility. This is an important step in developing your reputation as a salesperson. You must ask the customer permission to call back. Make sure you request a choice of day rather than a "yes" or "no" answer. You might say, "I would like to hear your reactions to the sample I'm leaving. May I call you on Thursday or would Friday be better?" Be sure to thank the customer and the receptionist on your way out. As soon as you get to the car, write in your customer contact log (a notebook with a company on each page) the date, who you saw, what happened, what you are supposed to do, and the date by which this is to be done. Also record the date you are supposed to make the call or stop.

PREPARATION/ADAPTATION ACTIVITIES

Are you able to apply these selling principles to your business aspirations? Are you now knowledgeable about the skills of successful selling? The following activities should help you check your knowledge about selling.

ASSESSMENT ONE

A SELF-EVALUATION QUIZ

The quiz on the following pages has been adapted from a test developed by the National Sales Development Institute. You might want to give it to your salespeople or take it yourself. Once the self-evaluation has been completed a graph of weaknesses and strengths can be filled out. This will give you a pictorial view of your selling talents. Be honest; no one but you will see it.

SELF-EVALUATION TEST FOR
STRENGTHENING YOUR SELLING SKILL

Salespeople who take steps to improve themselves will go a long way, they are willing to build on their defeats, to learn from their failures. We, too, can learn by the simple process of patient self-analysis. We might be losing some sales only because we have certain weaknesses we could and should correct. But it's not always easy to recognize exactly what we do that's wrong. Even our closest associates can't always help us. They don't know how we think and act when we're face to face with our prospects. Only we can know--through this self-evaluation test.

To determine how you can make every lost sale a lesson in selling, give yourself a periodic checkup, say the first of every week or month. Make it a part of your self-improvement program. Use the following questions to evaluate your selling skills. Rate yourself honestly, check conscientiously. Don't cheat yourself with a biased rating. It can seriously hinder any chances of self-improvement.

What to Do: Here are eight ways you can evaluate yourself as a salesperson. If you do find any weak spots, take the necessary steps to strengthen them and eventually strengthen your selling skills.

1. HOW SKILLFULLY DO I SELL?

(Check YES or NO for each question)	*YES*	*NO*
Do I learn as much as I can about my prospects before I call--particularly why they should buy what I want to sell them?	___	___
Do I start each interview by discussing something I know will interest my prospect--an offer of service, a promise of benefits, some significant news, or a sincere compliment?	___	___
Do I make a complete presentation of the benefits I can offer, and do I explain their significance to my prospect?	___	___

Do I ask questions to make sure my prospect understands and appreciates the benefits I offer?	___	___
When a prospect makes an objection, do I listen respectfully, repeat the objection in my own words, and then answer it before I go on with my presentation?	___	___
Do I anticipate possible price objections by stressing value and quality?	___	___
Do I build confidence by telling my prospect names of some of our well-known customers and how well satisfied they are?	___	___
Do I emphasize the service I will give when my prospect buys from me?	___	___
Do I sell through the eye as well as the ear--do I use all the selling aids available to me?	___	___
Do I always ask for the order--do I emphasize benefits, value and service when I close to make it easier for my prospect to say "Yes" than it is to say "No?"	___	___

MY RATING (Jot down your rating on this line) _____

HOW TO RATE YOURSELF: *1) Add your NO answers*
2) Multiply the number by 10.
3) Deduct that total from 100.

(Example: Let's say you've checked the NO column three times. Multiply three by 10 for a total of 30. Deduct 30 from 100, and you get a rating of 70% on this subject.)

2. *DO I KNOW WHAT I'M TALKING ABOUT?* (Check YES or NO for each question)	YES	NO
Do prospects and customers consider me an authority in my field?	___	___
Do I know at least five good reasons why a prospect should want to buy what I have to sell?	___	___
Do I know what my competitors are trying to sell?	___	___
Do I know why it would be more advantageous for my prospect to buy from me than from competitors?	___	___
Do I know the policies of my company?	___	___
Do I know what services we'll give customers that are superior to competitors' services?	___	___
Do I know the advertising program that supports my selling efforts--do I know exactly what it tells prospects and customers?	___	___
Do I read business publications to keep informed about trends that might affect my sales?	___	___
Do I study the sales literature given me so I may learn every possible sales argument?	___	___
Do I systematically look for ideas and information which might be helpful to my customers, or might help me serve them more effectively?	___	___

MY RATING (Jot down your rating on this line) _____

HOW TO RATE YOURSELF: Add your NO answers, multiply total by 10, deduct from 100.

3. DO I LOOK LIKE A SUCCESSFUL SALESPERSON?

(Check YES or NO for each question)	*YES*	*NO*
When I call on a prospect do I look like a smiling, cheerful, capable salesperson who is getting his/she share of sales and more?	___	___
Do I look confident, as though I know I can bring my prospect some benefits they'll be glad to have?	___	___
Do I walk erect, chin up, shoulders back?	___	___
Do I look alert and vigorously healthy--do I watch my diet and keep myself trim?	___	___
Do I always have a neat appearance including well-groomed hair, clean hands and fingernails--so that nothing about me distracts my prospects while I'm trying to sell them?	___	___
Do I always appear relaxed when I'm with a prospect or customer, never tense or anxious?	___	___
If I smoke, do I always wait for my prospect or customer to be the first to light a cigar, pipe or cigarette?	___	___
Am I careful to avoid exhaling a smoke screen, letting a cigarette dangle from a corner of my mouth, or frantically reaching for a cigarette at some tense point in the sales interview?	___	___
Do I avoid nervous hand habits such as adjusting my glasses, rubbing my nose, scratching my head, bending paper clips?	___	___
Do I look prosperous?	___	___

MY RATING (Jot down your rating on this line) _____

HOW TO RATE YOURSELF: Add your NO answers, multiply total by 10, deduct from 100.

4. *DO I ACT LIKE A SUCCESSFUL SALESPERSON?*		
(Check YES or NO for each question)	*YES*	*NO*
Do I plan every sales call--do I have a specific reason for being there, never "just to drop in?"	___	___
Do I make my sales presentations with enthusiasm?	___	___
Am I aggressive--do I get my sales story to my prospects in every way I can?	___	___
Am I persistent--when prospects say "NO" do I keep on trying if I believe they're logical prospects?	___	___
Do I make more calls than the "average" salesperson?	___	___
Am I dramatic--a showperson--do I constantly look for fresh ways to dramatize my sales story?	___	___
Do I give more personal service than competitive salesperson?	___	___
Do I cooperate wholeheartedly with my boss (and with everyone else in my company) whose work affects my success in selling or servicing my customers?	___	___
Do I work longer hours than most salespeople?	___	___
Do I try to make each succeeding sales presentation a masterpiece--the best one I ever made?	___	___

MY RATING (Jot down your rating on this line) _____

HOW TO RATE YOURSELF: Add your NO answers, multiply total by 10, deduct 100.

5. *HOW SUCCESSFUL ARE MY HUMAN RELATIONS?* *(Check YES or NO for each question)*	YES	NO
Do I learn the name of all prospects--address them by name, use their names from time to time during my sales presentation?	___	___
Do I remember names of everyone in a customer's organization with whom I come in contact? Do I address the customer by name whenever we meet?	___	___
Am I friendly, cordial to everyone I meet?	___	___
Am I sincere? Do I avoid untruthfulness or exaggerations?	___	___
Am I reliable, do I keep my promises? Do I deliver as promised--or explain my unavoidable delays?	___	___
Am I good listener? Do I listen without interrupting?	___	___
Do I resist temptation to talk about myself--and never, never discuss any troubles I might have?	___	___
Am I tactful? Do I avoid telling a prospect, customer, or my boss, "You're wrong!"? Do I realize it's an irritating statement, and that there are more considerate and subtle ways to change a person's point of view when necessary?	___	___
Do I always say "Thank-you!" for orders, favors, or cooperation from various people in my company?	___	___
Do I remember birthdays, anniversaries, other important occasions, and send a card or note to let my customers and associates know I remembered?	___	___

MY RATING: (Jot down your rating on this line) _____

HOW TO RATE YOURSELF: Add your NO answers, multiply total by 10, deduct from 100.

6. HOW SUCCESSFULLY DO I CONTROL MY EMOTIONS?		
(Check YES or NO for each question)	*YES*	*NO*
Do I try not to lose my temper--even if I think a prospect or customer treats me unfairly?	___	___
Do I accept responsibility for my own success and never blame "stupid prospects," unfair competitors," or anything else for my failure to make sales?	___	___
Do I refuse to feel sorry for myself when I have a bad day--and, instead, analyze each presentation to determine how it could be improved?	___	___
When I begin to doubt my own ability to sell, do I review some of my selling successes and determine to repeat them?	___	___
Do I try to keep my mind free from worry, and replace negative thinking with positive thoughts of success and how I can achieve it?	___	___
Do I face problems and solve them, instead of ignoring them and letting them become mountains?	___	___
Do I accept and profit from friendly criticism?	___	___
Do I handle necessary but less-challenging details of my work promptly and well, without complaining?	___	___

Do I start each day with an optimistic estimate of the sales I'm going to make?	___	___
Do I analyze my own reactions from time to time; do I try to understand myself so I can keep my emotions under control more successfully?	___	___

MY RATING (Jot down your rating on this line) _____

HOW TO RATE YOURSELF; Add your NO answers, multiply total by 10, deduct from 100.

7. AM I A GOOD ORGANIZER? *(Check YES or NO for each question)*	*YES*	*NO*
Do I study the sales potential of my territory--do I know where to find prospects who can give me the sales volume I want?	___	___
Do I plan my work each day so I know exactly what I intend to do, what I want to accomplish?	___	___
Do I organize my selling aids--do I make sure I have everything I need before I start out each day?	___	___
Do I plan to cover my territory so systematically that I waste no time between calls?	___	___
Do I prospect systematically, call on a predetermined number of potential buyers each week?	___	___
Do I plan to use the telephone and the mail systematically to contact prospects and customers more often?	___	___

Do I set a quota for myself based on my knowledge of my territory (which may be larger than the volume of business my boss thinks I can sell?	___	___
Do I handle paperwork I'm required to do in an orderly, systematic manner?	___	___
Do I follow through at regular intervals after each sale to make sure my customer is satisfied and will keep on buying from me?	___	___
Do I ask myself from time to time, "What's the most important thing I must do now?" and then do it?	___	___

MY RATING (Jot down your rating on this line) _____

HOW TO RATE YOURSELF: Add your NO answers, multiply total by 10, deduct from 100.

8. DO I THINK LIKE A SELLING PROFESSIONAL? *(Check YES or NO for each question)*	*YES*	*NO*
Am I proud and happy to be a salesperson?	___	___
Do I believe selling is one of the most important professions in the world--because success of salespeople provides jobs for millions of people, enables them to pay bills, educate their children, afford some pleasures?	___	___
Do I know that business conditions are constantly changing--that yesterday's ways of selling are not always the best today?	___	___
Do I continually try to update my selling techniques?	___	___

Do I try to improve my ability to communicate my ideas to prospects and customers more effectively?	___	___
Have I taken courses in selling, public speaking, creative thinking? Have I read more than one book on salesmanship during this past year?	___	___
When I read books on selling or listen to discussions of selling methods, do I look for ideas I can adapt to my own work? Do I try them?	___	___
Do I study the sales material given to me by my boss? Do I apply it to my work as my boss suggests? Do I try to get everything I can out of sales meetings?	___	___
Do I try to contribute as much as I can to the success of those meetings?	___	___
Do I try to increase my success by (1) analyzing my own work each month; (2) planning a systematic self-improvement program?	___	___

MY RATING (Jot down your rating on this line) _____

HOW TO RATE YOURSELF; Add your NO answers, multiply total by 10, deduct from 100.

THIS CHART SHOWS THE RESULT OF YOUR SELF-EVALUATION IT WILL HELP YOU SELL UP TO YOUR FULL POTENTIAL.

Make a dot in each column to show the rating you gave yourself for that particular numbered test. Then, draw a line from each dot to the next.

The graph you get will reveal both your weaknesses and your strong points. You'll know what to eliminate, what to strengthen--if you want to sell up to your full potential and win more customers.

GRAPHIC SELF-EVALUATION CHART

Percentage Scale	How skillfully do I sell?	Do I really know what I'm talking about?	Do I look like a successful salesperson?	Do I act like a successful salesperson?	How successful are my human relations?	How successfully do I control my emotions?	Am I a good organizer?	Do I think like a selling professional?
100								
90								
80								
70								
60								
50								
40								
30								
20								
10								

(Adapted from a "Self-Evaluation Test for Strengthening Your Selling Skill," developed by the Bureau of Business Practice on the National Sales Development Institute, pp. 28-35)

ASSESSMENT TWO

1. Shop in several stores to observe how two salespeople in each of the stores sell. Try to visit two stores selling basically the same product to the same types of customers such as two exclusive women's or men's speciality stores. Then visit a store selling the same product to a different type of customer. For example, visit one store selling women's or men's clothing at low prices. Do all the stores follow the five-step process in selling? Which steps do they handle best? Are some of the steps overlooked? You might want to record your findings on a chart similar to this example:

ANALYSES OF SALES TECHNIQUES

Stores / Steps in Selling	Step #1 Opening	Step #2 Determining Needs	Step #3 Presenting Product	Step #4 Overcoming Objections	Step #5 Closing the Sale
Store #1 - name location Salesperson 1. 2.					
Store #2 - name location Salesperson 1. 2.					
Store #3 - name location Salesperson 1. 2.					

2. Survey at least five small companies that employ salespeople. Do they urge their salespeople to use suggestion selling? If so, what incentives do they provide? If not, why not? Your survey should include different types of businesses--a wholesaler, retailer, manufacturer, and service firm.
3. Choose three products to sell. Write at least two questions for each product that you would ask customers in trying to determine their needs.
4. Interview at least two salespersons from three of the four businesses listed here:
    - Automobile dealership
    - Retail store
    - Service outlet
    - Industrial concern

    How do they find new prospects? Summarize your findings.
5. Interview retail, wholesale, industrial, and service business owners. What methods do they use to measure the success of their salespeople? How do they help salespeople to improve--do they have conferences, meetings, etc.? What is their sales training program like?

POSTASSESSMENT

1. List the steps of the selling process. Discuss each step in detail and provide examples showing how each step depends on the preceding step.
2. Define prospecting. What are some of the sources available for finding new prospects?
3. Identify and describe two methods for overcoming customer objections. Provide at least two examples for each method showing how you personally would use the method to overcome your customer's objections.
4. Why is self-evaluation of your selling techniques important?
5. Assume you are making a sales presentation. What techniques would you use to get the customer involved in the selling process? Clearly describe each technique that you list.

Compare your answers to your responses to the preassessment. You may want to check your postassessment answers with your instructor.

SELF-EVALUATION

How well did you know the information needed to do the activities?

( ) Very well

( ) Fairly well

( ) A little

Be honest with yourself. If you feel you don't know the material well enough, it might be helpful to review this section before going on.

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FILMS

Available for purchase or rental from Sales Branch, National Audiovisual Center - General Services Administration, Washington D. C. 20406. Phone (301) 763-1854.

EXPLORATION LEVEL:

"You and Your Customers" (14 min.)

Presents situations that small retailers may encounter which involve customer relations. Opportunities to stop the film for discussion following some of the more detailed situations are provided. "Possible solutions" or alternative ways of handling these situations are then presented.

"The Professional" (30 min.)

Shows what salespeople must do to be professional in their field. The story of a salesperson searching for the principles that will put him at the top of his profession.

RESEARCH AND DEVELOPMENT SERIES NO. 194 C-5

PACE

A Program for Acquiring Competence in Entrepreneurship

Instructor's Guide

Part III

Being An Entrepreneur

Unit E

Successful Selling

THE NATIONAL CENTER
FOR RESEARCH IN VOCATIONAL EDUCATION
THE OHIO STATE UNIVERSITY
1960 KENNY ROAD • COLUMBUS, OHIO 43210

USING THE INSTRUCTOR'S GUIDE

The Instructor's Guide contains the following:

- Teaching/Learning Objectives (identical to the Teaching/Learning Objectives found in the PACE unit)
- Teaching/Learning Delivery Suggestions
- Pre/postassessment Suggested Responses

This information is geared towards the three levels of learning, and is designed for use as a supplemental teaching aid. Additional instructions for using PACE, sources of information, and an annotated glossary can be found in the PACE Resource Guide.

PRE/POSTASSESSMENT
SUGGESTED RESPONSES

EXPOSURE

1. Response should center on the fact that, to succeed, a firm must make profits; and to make profits, firms must sell goods or services.

2. The American Marketing Association defines selling as "The personal or impersonal process of satisfying and/or persuading a prospective customer to buy a commodity or service, or to act favorably on an idea that has commercial significance to the seller."

3. Successful salespeople know what motivates their customers to buy.

4. Steps in selling include (a) opening the sale, (b) determining customer needs, (c) presenting the product, (d) overcoming objections, and (e) closing the sale.

5. *Consumer goods* are those products purchased by the ultimate customers for their own personal use. *Industrial goods* are those products which are sold to other firms for use in manufacturing other goods or for inclusion in the product the company sells.

EXPLORATION

1. Successful salespeople possess the following attributes: (a) the ability to get along well with people, (b) desire to serve others, (c) poise and confidence, (d) pride, (e) initiative, (f) honesty, and (g) personality.

2. *Basic buying motives* are buying impulses activated by basic needs such as food, drink, sex, companionship, comfort, social approval, and desire for superiority. *Learned motives* are acquired as people mature and are largely the result of environment. Learned motives include dependability, convenience, and efficiency.

3. Types of customers include (a) customers who are just looking, (b) talkative customers, (c) silent customers, (d) undecided customers, (e) decided customers, and (f) hurried, nervous, impatient customers. Responses should include descriptions of these types and suggestions for handling them successfully.

4. Knowledge of the product or service is essential if the salesperson wants to earn the customer's respect and continuing business. Consumers are better educated, and the salesperson must be able to answer questions and provide in-depth information.

5. Salespeople should know these things: product content; name; method of production; how product can be used; sizes, colors, styles, and models available; care instructions; guarantees or warranties; and services provided, such as alterations or installations. Salespeople can use this information to answer customer queries and allay fears.

PREPARATION/ADAPTATION

1. The steps of selling are (a) opening the sale, (b) determining customer needs, (c) presenting the product or service, (d) overcoming objections, and (e) closing the sale. Response should include an example that illustrates why each step must be completed in succession.

2. Prospecting is the process of identifying and locating potential customers. Sources of prospects include business organizations, other businesses with similar types of customers, the business's own customers, canvassing, directories, and trade registers.

3. Methods for overcoming customer objections are (a) the "yes–but" method, which points out advantages equal to or greater than the objection; (b) the "boomerang" method, which turns the objection around and directs it back to the prospect in the form of a reason to buy; and (c) "direct question" method, which probes for the hidden, unexpressed objection by asking a direct question. Responses should show an understanding of the concepts behind each method.

4. Self-evaluations are necessary for improving selling techniques.

5. You can involve customers by inviting questions, handing out samples, asking for their assistance in testing products, or utilizing illustrations and charts. Responses should indicate familiarity with each technique.

LEVELS OF LEARNING	TEACHING/LEARNING OBJECTIVES Upon completion of this level of instruction you should be able to:	TEACHING/LEARNING DELIVERY SUGGESTIONS A variety of different teaching/learning methodologies have been used. To help you organize your work and plan the use of this level these suggestions are made:
Exposure	1. Explain why the selling function is important to small businesses. 2. Relate the definition of selling as stated by the American Marketing Association. 3. Describe what salespeople need to know about their customers to be successful at selling. 4. List the five steps of the selling process. 5. Differentiate consumer goods from industrial goods.	1. Interview a variety of business owners concerning the importance of effective selling. 2. Invite a nonretail salesperson to meet with your group to describe his or her normal working day.
Exploration	1. List and discuss the attributes of successful salespeople. 2. Explain customer buying motives. 3. List and discuss the five basic types of customers, ways to recognize them, and ways to handle them in selling situations. 4. Discuss the importance of product knowledge to the salesperson. 5. Describe the specific product/service information salespersons need to have and the sources for getting this information.	1. Interview a variety of retail and nonretail salespersons on how personal attributes relate to successful selling. 2. Have the group analyze a variety of products to determine the type of information a salesperson should have to sell the products effectively. Analyses should include selling points and indicate a knowledge of the products.
Preparation/Adaptation	1. List and discuss the five steps of the selling process. 2. Discuss the importance of prospecting and list sources of new prospects in the consumer/user and commercial fields. 3. Discuss the importance of self-evaluation to the salesperson. 4. Identify and describe two methods for overcoming customer objections. 5. Explain the importance of customer involvement in the selling process and describe various techniques used to get customers involved.	1. Have the group observe salespeople in a store to determine the sales techniques used. 2. Accompany an industrial salesperson on sales calls for a day to study what the job requires and the techniques used. Have the salesperson discuss how he or she finds new prospects. 3. Invite business owners to discuss how they evaluate and train salespeople.

The PACE series consists of these parts and units.

PART I: GETTING READY TO BECOME AN ENTREPRENEUR

- Unit A: Nature of Small Business
- Unit B: Are You an Entrepreneur?
- Unit C: How to Succeed and How to Fail

PART II: BECOMING AN ENTREPRENEUR

- Unit A: Developing the Business Plan
- Unit B: Where to Locate the Business
- Unit C: Legal Issues and Small Business
- Unit D: Government Regulations and Small Business
- Unit E: Choosing the Type of Ownership
- Unit F: How to Finance the Business
- Unit G: Resources for Managerial Assistance

PART III: BEING AN ENTREPRENEUR

- Unit A: Managing the Business
- Unit B: Financial Management
- Unit C: Keeping the Business Records
- Unit D: Marketing Management
- Unit E: Successful Selling
- Unit F: Managing Human Resources
- Unit G: Community Relations
- Unit H: Business Protection

RESOURCE GUIDE